GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:923
ANSWERED ON:19.07.2002
HAWALA TRANSACTIONS
KAILASH MEGHWAL;LAXMAN GILUWA;MANSINH PATEL

Will the Minister of FINANCE be pleased to state:

(a) whether the Government are aware about the funding of terrorists groups operating in India through hawala transactions and also by making available the huge amounts received by leaders of some muslim organisation of Jammu and Kashmir from abroad to them;

(b) if so, the number of such cases detected by Government during the last three years; and

(c) the details of the steps being taken by the Government to check this huge influx of money?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI GINGEE N. RAMACHANDRAN)

(a) & (b) : During the last three years, the Enforcement Directorate has detected seven such cases of hawala transactions.

(c) Action has been taken against the accused persons concerned in all the cases under Foreign Exchange Regulation Act/Foreign Exchange Management Act, by launching prosecution and/or issuing show cause notice in accordance with the applicable Act. The Enforcement Directorate has been alerted to be more vigilant about these types of hawala operators.